

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

November 16, 1967

9:00 A.M.

COUNCIL CHAMBER, CITY HALL

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The meeting was called to order with Mayor Akin presiding.

Roll Call:

Present: Councilmen Janes, LaRue, Nichols, Mayor Akin

Absent: Councilman Long

The Invocation was delivered by REVEREND DENBY L. CAIN of the Messiah Lutheran Church.

CITIZEN APPEARANCE ON WATER POLLUTION

Mr. Werner Perlitz appeared before the Council to discuss the matter regarding water pollution on Lake Austin. Mr. Perlitz stated that he had taken a sample of water from Lake Austin to the Health Department and that they would not run any tests on it because they knew it was polluted. Mr. Perlitz added that the pollution was getting increasingly worse from boaters and skiers abusing the lake. Mr. Perlitz then presented to the Council a list with the following recommendations:

1. That all present laws be enforced to the fullest extent.
2. That rest rooms and receptacles for trash be installed at Walsh's boat ramp and at other locations along the lake as soon as possible.
3. That all publicity possible be given to the needs and the laws for keeping the lake waters in a useable condition for everyone.
4. That additional ordinances be passed if necessary to control all house boats, cruisers and residential septic systems on the lake.
5. That a study be made regarding the installation of a sewer line to serve all the lake residences and marinas.
6. That a sanitary district be created to control all of the lakes in the Colorado River.

City Manager Tinstman stated that he had conferred with several staff members and the Citizens Study Committee, and that an ordinance had been drafted on the matter. He further stated that the recommendations of Mr. Perlitz would be reviewed and that it might be appropriate for the Council to reactivate the Citizens Study Committee to consider the specific ordinance and then report back to the Council.

Councilman Nichols moved the Council receive the recommendations, spread them across the Minutes, send them to the proper departments for consideration, recommendation, and action. The motion, seconded by Councilman Janes, carried by the following vote:

Ayes: Councilmen Janes, LaRue, Nichols, Mayor Akin  
 Noes: None  
 Absent: Councilman Long

#### REQUEST FOR OPEN HOUSING ORDINANCE

Dr. Philip Hugly, Associate Professor at The University of Texas presented to the Council a statement signed by 573 residents and 9 non-residents living in the immediate vicinity of the University expressing an interest in the passage of an open housing ordinance. Mayor Akin stated that the Council had recently appointed a Human Relations Commission which had in turn appointed a Committee on Open Housing.

#### ELECTRIC, WATER AND SEWER REVENUE BONDS

Mayor Akin noted that it was time to receive bids on the City of Austin Utility Bonds, ascertained the accuracy of the hour, that there were no other bids having been received in the mailing room, the City Manager's Office, by the Finance Director or by the City Clerk's Office, or to be submitted by anyone present in the Council Chamber.

Mayor Akin announced it was now 10:30 A.M. and the time for receiving bids was closed.

Bids on the \$10,000,000 Electric, Water and Sewer Revenue Bonds were then opened and read by the Finance Director as follows:

<u>Name of Bidder</u>	<u>Effective Interest Rate</u>
1. HALSEY, STUART & CO., INC. SMITH, BARNEY & CO., INCORPORATED AND ASSOCIATES	4.18245 %
2. LEHMAN BROTHERS, Kuhn, Loeb & Co. First Southwest Company, Hornblower & Weeks-Hemphill, Noyes Paribas Corporation and Associates	4.2001 %

<u>Name of Bidder</u>	<u>Effective Interest Rate</u>
3. PHELPS, FENN & CO., GLORE FORGAN, Wm. R. Staats, Inc., Merrill, Lynch, Pierce, Fenner & Smith, Inc., Equitable Securities Corp. Account Managers, Rauscher Pierce & Co., Inc. and Associates	4.2268 %
4. THE FIRST BOSTON CORPORATION Eastman Dillon, Union Securities & Co., and Associates	4.2402 %
5. WHITE, WELD & CO., BEAR, STEARNS & CO. Rowles, Winston & Co., Inc., Joint Managers, & Associates	4.2422 %

The Council referred the bids to the Finance Director, Bond Counsel and Fiscal Advisor for verification. Later in the Council Meeting, Mr. Curtis Adrian, Fiscal Advisor, reported five bids were received for the Revenue Bonds. The low bidder was Halsey Stuart & Company, Inc. Smith, Barney & Company, Incorporated and Associates, with an effective interest rate of 4.18245%.

Councilman Nichols offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, Halsey, Stuart & Co., Inc.; Smith, Barney & Co., Incorporated; and Associates, this day submitted to the City Council the following proposal:

(See the following page)

and,

WHEREAS, the said bid and proposal of Halsey, Stuart & Co., Inc.; Smith, Barney & Co., Incorporated; and Associates, was the most advantageous bid submitted to the City Council for the purchase of the aforesaid bonds; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That said proposal of Halsey, Stuart & Co., Inc.; Smith, Barney & Co., Incorporated; and Associates, to purchase \$10,000,000.00 City of Austin, Texas Electric Light and Power, Waterworks and Sewer System Revenue Bonds, Series 1967-A, as per the City's Notice of Sale and Prospectus dated October 27, 1967, at the price and upon the terms of said proposal be and the same is hereby accepted and Halsey, Stuart & Co., Inc.; Smith, Barney & Co., Incorporated; and Associates, be awarded the sale of said bonds; and,

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

OFFICIAL BID FORM

November 16, 1967

Honorable Mayor and City Council  
City of Austin  
Austin, Texas

Gentlemen:

Reference is made to your "Official Notice of Sale" and "Official Statement", dated October 27, 1967, of \$10,000,000 CITY OF AUSTIN, TEXAS ELECTRIC LIGHT AND POWER, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 1967-A, both of which constitute a part hereof.

For your legally issued bonds, as described in said Notice, we will pay you par and accrued interest from date of issue to date of delivery to us, plus a cash premium of \$ X(1) X(1) X(1) for bonds maturing and bearing interest as follows:

October 1, 1969,	through October 1, 19	<u>71</u>	--	<u>5.75</u>	%
October 1, 19	<u>72</u>	through October 1, 19		<u>4.75</u>	%
October 1, 19	<u>73</u>	through October 1, 19	<u>74</u>	<u>4</u>	%
October 1, 19	<u>80</u>	through October 1, 19	<u>82</u>	<u>4.10</u>	%
October 1, 19	<u>83</u>	through October 1, 19	<u>85</u>	<u>4.20</u>	%
October 1, 19	<u>86</u>	through October 1, 19	<u>88</u>	<u>4.25</u>	%

Interest cost, in accordance with the above bid, is:

Gross Interest Cost	\$	<u>4,775,168.07</u>
Less Premium		<u>200.00</u>
NET INTEREST COST	\$	<u>4,774,968.07</u>
EFFECTIVE INTEREST RATE		<u>4.18245%</u>

Attached hereto is Cashier's - Certified Check of the Capital National Bank, Austin, Texas, in the amount of \$200,000.00, which represents our Good Faith Deposit, and which is submitted in accordance with the terms as set forth in the "Official Notice of Sale" and "Official Statement".

We desire that the paying agent in Austin be: \_\_\_\_\_, Austin, Texas.

Respectfully submitted,

HALSEY, STUART & CO. Inc.

SMITH, BARNEY & CO. INCORPORATED

AND ASSOCIATES

By Raymond E. Robinson  
Authorized Representative

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the City of Austin, Texas, this the 16th day of November, 1967.

ATTEST:  
Edie Halsey  
City Clerk, City of Austin, Texas

Kary Rhein  
Mayor, City of Austin, Texas

APPROVED:  
Don Rawce  
City Attorney, City of Austin, Texas

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Return of Good Faith Deposit is hereby acknowledged: \_\_\_\_\_

By \_\_\_\_\_

OK  
MWB

OK  
C.H.L.